

PUBLIC DISCLOSURE

June 4, 2002

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

STRATA BANK

**81 MAIN STREET
MEDWAY, MA 02053**

**DIVISION OF BANKS
1 SOUTH STATION
BOSTON, MA 02110**

<p>NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires the Division of Banks (Division) to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its assessment area.

This document is an evaluation of the Community Reinvestment Act (CRA) performance of the **Strata Bank** prepared by the Massachusetts Division of Banks, the institution's supervisory agency.

INSTITUTION'S CRA RATING: This institution is rated "Satisfactory"

Strata Bank's CRA rating of Satisfactory is based upon its performance under the following five criteria.

Strata Bank has demonstrated adequate loan to deposit ratios over the last eight quarters with an average ratio of 62.0 percent. This average ratio has decreased since the last examination in June 1998, when the ratio was 71.5 percent. The ratio has experienced a slight upward trend and stood at 66.8 percent as of March 31, 2002. Based on this information this criterion meets the standards for satisfactory performance.

According to the 2000, 2001, and year-to-date May 28, 2002 Home Mortgage Disclosure Act (HMDA) data, approximately 53.4 percent of the number and 47.7 percent of the dollar amount of loans were originated inside the bank's assessment area. This performance is considered adequate.

The distribution of loans to borrowers of different income levels represents an acceptable penetration among income levels in the assessment area. An analysis of mortgage originations indicated that 23.3 percent of the total number of originations were to low and moderate-income borrowers. The bank was determined to meet the standards for satisfactory performance in this category.

The bank's distribution of loans to low and moderate-income areas is considered reasonable, although lending in the moderate-income tracts is less than the percentage of owner-occupied properties. In addition, the bank's distribution is less than the number of loans originated by the aggregate, but higher than the aggregate by dollar amount.

The bank's fair lending performance was found to be satisfactory and no CRA related complaints were received since the previous examination.

PERFORMANCE CONTEXT

Description of Institution

Strata Bank is a state-chartered financial institution incorporated under the laws of the Commonwealth of Massachusetts in 1871 as Medway Savings Bank. In 1997, the bank's name was changed to Summit Bank to reflect the geographic area the bank serves. The institution became a publicly held bank in 1998. Due to confusion with another institution, the bank again changed its name in 2000 to Strata Bank. As of March 31, 2002, the bank had total assets of \$275,259,000, of which 53.4 percent are in the form of loans. The institution's primary lending focus is residential 1-4 family real estate, which comprises 55.6 percent of the loan portfolio.

Refer to the following table for additional information on the breakdown of loans.

Loan Portfolio Composition

Loan Type	Amount (000s)	Percent
One to Four-Family Residential Mortgages	\$81,767	55.6
Commercial Real Estate	\$38,264	26.0
Commercial and Industrial	\$11,697	8.0
Construction and Land Development	\$6,698	4.6
Equity Lines of Credit	\$6,225	4.2
Consumer Loans	\$2,280	1.6
Total Gross Loans	\$146,931	100.0

Source: March 31, 2002 Consolidated Report of Condition.

Strata Bank operates eight full service offices including its main office located at 81 Main Street, Medway. The bank's other seven offices are located at 267 Hartford Avenue, Bellingham; 59 Main Street, Hopkinton; 18 North Meadows Road, Medfield; 140 South Main Street, Milford; 1098 Main Street, Millis; 1000 Franklin Village Drive, Franklin; and 281A East Central Street, Franklin. In addition to the full service offices, the bank has mini-branches in two senior centers located in Franklin and Worcester. The residents as well as the staff are eligible to use the services provided by the bank at these locations.

Branch hours are considered convenient and services of the bank appear sufficient to meet the needs of the assessment area. The office hours at the main office are Monday, Wednesday, and Friday from 9:00 am to 4:00 p.m., Thursday from 9:00 am to 7:00 p.m. and Saturday from 9:00 am to 1:00 p.m. The bank's branch hours vary, but all have extended hours during the week as well as on Saturdays. All of the offices, except the branches located in Hopkinton and at 281A East Central Street in Franklin offer a drive-up window. In addition, the bank operates ATMs at all of its branch locations.

Since the last examination, no branch offices have been closed. However, the bank has closed or relocated several ATMs since the last examination. In 1999, the bank opened new branches in Hopkinton and Bellingham as well as a mini-branch at the Forge Hill Senior Living Center in Franklin. In 2000, the bank opened a branch in Milford and opened a mini-branch at Notre Dame du Lac Senior Living Community in Worcester.

Strata Bank has strong competition from several financial institutions within its assessment area. These financial institutions include but are not limited to the following: Ben Franklin Savings Bank; Milford Federal Savings and Loan; Dean Cooperative Bank; Middlesex Savings Bank, as well as representatives of regional and national banking and mortgage companies. The market influence from these institutions appears to be significant, and as a result, serves to keep the bank's rates and services offered competitive.

Market share information obtained from PCI Services, Inc. CRA WIZ, based on 2000 aggregate performance data indicates 336 mortgage companies, savings banks, commercial banks, cooperative banks, and credit unions have either originated or purchased residential mortgage loans within the bank's assessment area. The top lender in the assessment area for 2000 was Fleet National Bank with a 6.31 percent market share.

Strata Bank maintains a business relationship with Marathon Mortgage, a Massachusetts-licensed mortgage lender. This relationship enables the bank to generate a higher volume of mortgage loans and to compete effectively in a highly competitive marketplace.

The bank's most recent Community Reinvestment Act (CRA) evaluation, conducted by the Federal Deposit Insurance Corporation (FDIC) as of January 4, 1999 assigned a rating of "Satisfactory". The previous evaluation conducted by the Commonwealth of Massachusetts Division of Banks as of June 9, 1998 also assigned a rating of "Satisfactory".

A community contact was conducted during the examination and provided relevant information on the assessment area. The contact was conducted in Medway with an agency that deals with affordable housing. The contact stated a need for affordable housing in the area.

Description of Assessment Area

Strata Bank defines its assessment area as the towns of Bellingham, Franklin, Hopkinton, Medfield, Medway, Milford, and Millis. This delineation places the bank's assessment area within the Boston MA-NH Metropolitan Statistical Area (MSA).

According to 1990 US Census Data, Strata Bank's assessment area has a total population of 99,613 individuals and a total of 35,730 housing units. Housing stock within the assessment area is primarily one-to-four family residential dwellings (86.7%), of which a

majority (71.9%) is owner-occupied. There are 34,367 households in the assessment area.

Strata Bank's assessment area consists of 18 census tracts. Census tracts are identified as either low, moderate, middle or upper-income based upon a comparison of households within the census tract to median family household income. The bank's census tract distribution is as follows: 1 (5.6 percent) low-income, 3 (16.7 percent) moderate-income, 8 (44.4 percent) middle-income, 5 (27.7 percent) upper-income and 1 (5.6 percent) designated, as N/A. The census tract designated as N/A is located in Bellingham and was not used to evaluate the bank's performance in this exam. The low-income census tract is located in the town of Bellingham. However, this census tract is comprised of a power plant and contains only five housing units, resulting in very limited lending opportunities. The three moderate-income census tracts are located in Milford.

The median home value of the assessment area is \$167,841 based on 1990 US Census Data. A more recent figure was obtained using data from the June 10, 2002 Bankers & Tradesman. According to this publication, the median selling price for a home in the assessment area was \$293,349. Prices in the assessment area ranged from a low of \$232,500 in the town of Bellingham to a high of \$517,450 in the town of Hopkinton.

Please refer to table two regarding other housing characteristics.

<i>Selected Housing Characteristics by Income Category of the Geography</i>						
<i>Geographic Income Category</i>	<i>Percentage</i>					
	<i>Census Tracts</i>	<i>House holds</i>	<i>Housing Units</i>	<i>Owner-Occupied</i>	<i>Rental Units</i>	<i>Vacant Units</i>
Low	5.6	0.1	0.1	0.0	0.1	0.0
Moderate	16.7	15.3	15.9	10.7	29.7	27.2
Middle	44.4	56.7	56.5	57.5	54.5	51.0
Upper	27.7	27.9	27.5	31.8	15.7	21.8
NA	5.6	-	-	-	-	-
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: U.S. Census

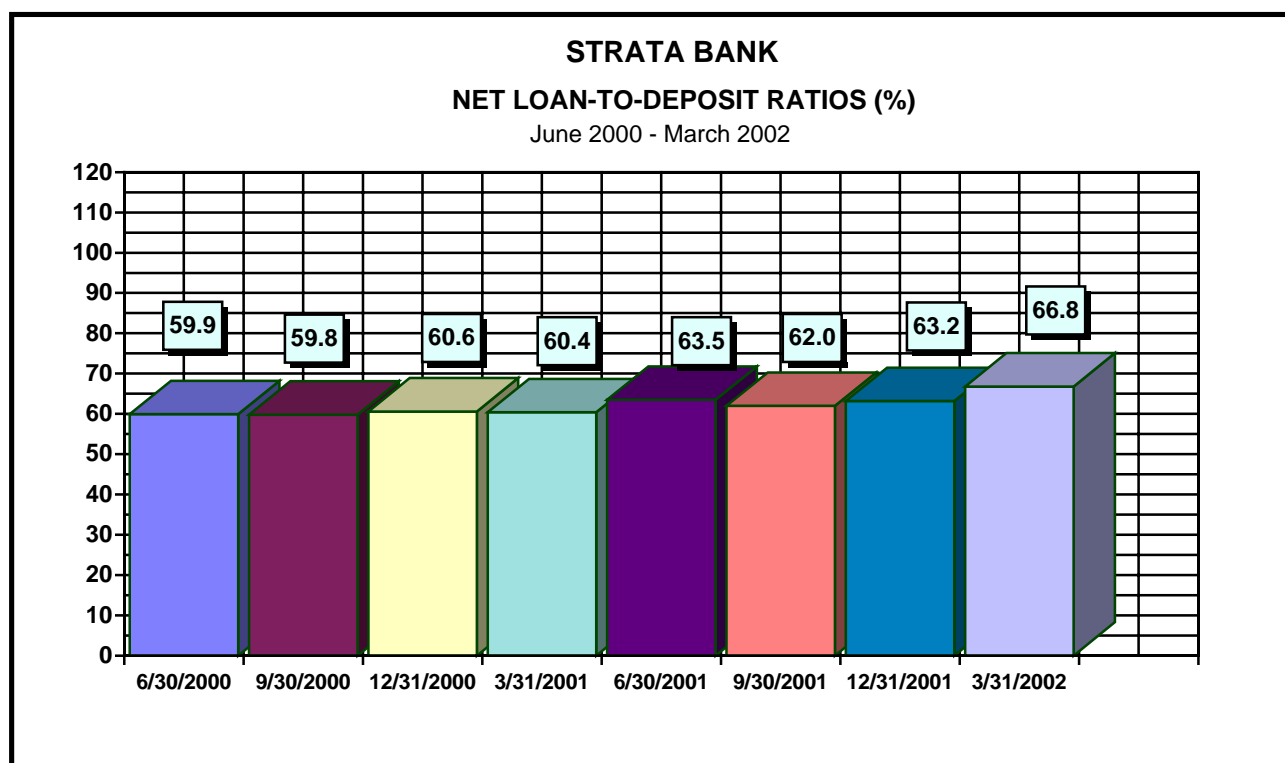
The median family income for the Boston MSA for 2000, 2001, and 2002 is \$65,500, \$70,000, and \$74,200, respectively. The income figures are based on estimated Department of Housing and Urban Development (HUD) information.

The town of Medway is a residential town in the southwestern suburbs of Boston with easy access to Route 495. It is comprised of single-family homes with a handful of apartments and condominiums. In recent years, commercial development along the interstate highway has proved to be beneficial to the local business community and local residents. Commuter trains have also made the area a desirable residential community. As a result of these factors, the assessment area has seen a substantial increase in home construction.

PERFORMANCE CRITERIA

1. LOAN TO DEPOSIT ANALYSIS

Strata Bank's average net loan-to-deposit ratio was calculated by using the data reported in the previous eight quarterly FDIC Call Reports. This ratio is based on total loans net of unearned income and net of the allowance for loan and lease losses as a percentage of total deposits. The bank's average net loan-to-deposit ratio for the period June 30, 2000, through March 31, 2002, was 62.0 percent. The net loan-to-deposit ratio has increased from 59.9 percent on September 30, 2000 to 66.8 percent on March 31, 2002. At the previous Massachusetts Division of Bank's examination on June 9, 1998, the average net loan-to-deposit ratio was 71.5 percent. Strata Bank's assets have increased from \$220 million as of June 30, 2000 to \$275 million as of March 31, 2002, which represents a 25.0 percent increase. Loan growth has outpaced deposit growth during this time. Net loans increased approximately 35.7 percent, while deposits have increased approximately 21.6 percent. The following graph depicts the net loan-to-deposit ratio for each quarter under review.



Strata Bank's net loan to deposit ratio was compared to the ratios of other area institutions as of March 31, 2002. These percentages range from a low of 64.5 percent to a high of 94.6 percent. Please refer to the following table for more details.

Institution	Net Loan-To-Deposit Ratio
Foxborough Savings Bank	94.6%
Natick Federal Savings Bank	71.2%
Ben Franklin Savings Bank	67.7%
Strata Bank	66.8%
Marlborough Savings Bank	64.5%

As of March 31, 2002

These institutions varied in asset size from \$181 million for Natick Federal Savings Bank to \$426 million for Ben Franklin Savings Bank.

In conclusion, the bank's average net loan-to-deposit ratio of 62.0 percent is reasonable and meets the standards for satisfactory performance given the bank's capacity to lend and the credit needs of its assessment area.

2. COMPARISON OF CREDIT EXTENDED INSIDE AND OUTSIDE OF THE ASSESSMENT AREA(S)

Strata Bank's 2000, 2001, and year-to-date May 28, 2002 HMDA Loan Application Registers (LARs) were reviewed to determine the amount of credit extended within the bank's assessment area. During this period, the bank originated and purchased 393 HMDA-reportable loans totaling approximately \$72,145,000. Of these, 210 loans or 53.4 percent of the number totaling \$34,392,000 or 47.7 percent of the dollar value were originated in the bank's assessment area.

Franklin accounted for the largest percentage of originations by number with 16.3 percent, followed by Bellingham with 9.7 percent. Franklin also accounted for the largest dollar volume of originations with 15.5 percent, followed by Bellingham with 6.9 percent.

The following table provides the bank's HMDA-reportable lending by number and dollar amount.

Distribution of Home Mortgage Loans Inside and Outside of the Assessment Area								
Year	Inside				Outside			
	Number of Loans		Dollar in Loans (000s)		Number of Loans		Dollars in Loans (000s)	
	#	%	\$	%	#	%	\$	%
2000	39	44.8	5,842	35.9	48	55.2	10,421	64.1
2001	102	53.4	16,861	48.0	89	46.6	18,269	52.0
2002	69	60.0	11,689	56.3	46	40.0	9,063	43.7
Total	210	53.4	34,392	47.7	183	46.6	37,753	52.3

Source: HMDA/LAR, CRA Wiz

Based on the above analysis, it is evident that the bank originated the majority of its loans to borrowers within the assessment area. Therefore, the overall percentage of lending inside the assessment area, for residential loans is considered adequate.

As mentioned earlier, the bank maintains a correspondent relationship with Marathon Mortgage Company, a licensed Massachusetts mortgage lender. This relationship was established in 2001 to help the bank remain competitive in the environment in which it operates. This relationship also allows the bank to offer products to customers it could not otherwise offer and gives customers more opportunities to be placed for mortgages. As evidenced by the above table, since the agreement between the two entities was signed in 2001, the bank has increased its lending volume and has also increased its presence inside its assessment area.

3. DISTRIBUTION OF CREDIT AMONG BORROWERS OF DIFFERENT INCOME LEVELS

The bank's residential loans were further analyzed to determine the distribution of lending by borrower income level. The borrowers' reported income was compared to the median family income for the Boston MA-NH Metropolitan Statistical Areas (MSA). The Boston MA-NH MSA Median Family Household Income (FHI) was \$65,500 for 2000, \$70,000 for 2001, and \$74,200 for 2002. These income figures are based on estimated Department of Housing and Urban Development (HUD) information.

Low-income is defined by the US Census Bureau as income below 50 percent of the median family income level for the MSA. Moderate-income is defined as income between 50 percent and 79 percent of the median family income level for the MSA. Middle-income is defined as income between 80 percent and 119 percent of the median income. Upper-income is defined as income equal to or greater than 120 percent of the median income.

The following table shows, by number, HMDA-reportable loans to low, moderate, middle and upper-income borrowers in comparison to the percentage of households within the assessment area in each respective income group.

Distribution of HMDA Loans by Borrower Income									
Median Family Income Level	% Total House holds	2000		2001		YTD 2002*		Total	
		#	%	#	%	#	%	#	%
Low	16.4	4	10.3	7	6.9	5	7.3	16	7.6
Moderate	13.2	9	23.1	15	14.7	9	13.0	33	15.7
Middle	19.5	15	38.5	47	46.1	28	40.6	90	42.9
Upper	50.9	11	28.1	30	29.4	27	39.1	68	32.4
NA	0.0	0	0.0	3	2.9	0	0.0	3	1.4
Total	100.0	39	100.0	102	100.0	69	100.0	210	100.0

Source: U.S. Census, HMDA LAR; *5/28/02

During the examination period, the bank extended 16 loans to low-income borrowers representing 7.6 percent by number and 4.1 percent by dollar amount of the total loans within the assessment area. This falls below the 16.4 percent of low-income households within the assessment area. However, mitigating factors include the large number of people collecting social security (20.7%), retired individuals (14.0%) and the high cost of home ownership in the assessment area which makes home ownership virtually impossible for many households in this income category.

The table further indicates that the bank extended 33 loans to moderate-income borrowers, representing 15.7 percent by number and 10.9 percent by dollar amount of the total loans within the assessment area. This compares favorably to the percentage of households (13.2 percent) which fall within the moderate-income category within the assessment area.

The distribution of the bank's loans among various borrower income levels was compared to that of all other HMDA-reporters in the assessment area. Other HMDA-reporters include bank and non-bank entities such as large national banking companies, other local banks, credit unions and mortgage companies.

The most recent data available for this analysis relates to calendar year 2000 and is presented in the following table.

Distribution of HMDA Reportable Loans Strata Bank Compared to All Other Reporters								
Borrower Income Level	Number of Loans				Dollar Amount of Loans			
	Strata Bank		All Other Reporters		Strata Bank		All Other Reporters	
	#	%	#	%	\$(000)	%	\$(000)	%
Low	4	10.3	189	3.5	325	5.6	17,473	2.1
Moderate	9	23.1	709	13.1	873	14.9	75,440	8.9
Middle	15	38.5	1,248	23.1	1,650	28.2	165,240	19.4
Upper	11	28.1	2,235	41.3	2,994	51.3	439,182	51.6
NA	0	0.0	1,028	19.0	0	0.0	154,441	18.0
Total	39	100.0	5,409	100.0	5,842	100.0	851,776	100.0

Source: HMDA Aggregate Data

As shown above, the bank's percentage of lending to low-income borrowers exceeds the aggregate by number and dollar amount for 2000. The bank originated 10.3 percent by number and 5.6 percent by dollar amount of the total loans within the assessment area to low-income borrowers, compared to the aggregate with 3.5 percent by number and 2.1 percent by dollar amount.

Strata Bank's loans to moderate-income borrowers accounted for 23.1 percent by number and 14.9 percent by dollar amount. This percentage is also higher than that of the aggregate, which granted 13.1 percent by number and 8.9 percent by dollar amount respectively to moderate-income borrowers.

As demonstrated above, Strata Bank has exceeded the aggregate in lending to low and moderate-income borrowers in Year 2000. However, a mitigating factor is the very low number of HMDA-reportable loans originated within the bank's assessment area in Year 2000.

Based upon all of the above information, Strata Bank was determined to meet the standards for satisfactory performance in lending to borrowers of different incomes.

4 GEOGRAPHIC DISTRIBUTION OF LOANS

Strata Bank has achieved a reasonable dispersion of loans within its assessment area. HMDA-reportable loans located within the bank's assessment area were analyzed to determine the location by census tract income level. The assessment area is comprised of 18 census tracts: 1 or 5.6 percent is designated as NA; 1 or 5.6 percent as low-income; 3 or 16.7 percent as moderate-income; 8 or 44.4 percent as middle-income and 5 or 27.7 percent as upper-income.

The one census tract designated as NA was not used to evaluate the bank's performance in this category because of the extremely limited lending potential, as described in the

performance context. In addition, the one low-income census tract located in Bellingham also has extremely limited lending opportunities.

The following table provides a breakdown, by number, of the bank's HMDA-reportable loans within its assessment area according to census tract income level. The table also considers the number of loans in comparison to the number of owner-occupied housing units in each census tract income category.

Distribution of HMDA Loans by Income Category of the Census Tract									
Census Tract Income Level	% Total Owner-Occupied Housing Units	2000		2001		2002*		Total	
		#	%	#	%	#	%	#	%
Low	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	10.7	3	7.7	3	2.9	5	7.2	11	5.2
Middle	57.5	27	69.2	63	61.8	43	62.3	133	63.3
Upper	31.8	9	23.1	36	35.3	21	30.5	66	31.5
NA	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total	100.0	39	100.0	102	100.0	69	100.0	210	100.0

Source: U.S. Census, HMDA LAR; * 5/28/02

The above table shows that the bank made 5.2 percent of its loans in the moderate-income census tracts. This falls below the 10.7 percent of owner-occupied housing units located there. Middle-income census tracts account for 63.3 percent of the bank's total loans while 31.5 percent were within upper-income census tracts. The percentages are proportional to the percentage of owner-occupied housing units in each census tract income category.

The bank's distribution of loans was also compared to that of all other HMDA-reporters in the assessment area. The most recent data available for this analysis relates to calendar year 2000 and is presented in the following table.

Distribution of HMDA Reportable Loans Strata Bank Compared to All Other Reporters								
Census Tract Income Level	Number of Loans				Dollar Amount of Loans			
	Strata Bank		All Other Reporters		Strata Bank		All Other Reporters	
	#	%	#	%	\$(000)	%	\$(000)	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	3	7.7	463	8.6	453	7.8	58,084	6.8
Middle	27	69.2	3,157	58.4	4,141	70.9	422,542	49.6
Upper	9	23.1	1,789	33.0	1,248	21.3	371,150	43.6
Total	39	100.0	5,409	100.0	5,842	100.0	851,776	100.0

Source: HMDA Aggregate Data

As indicated above, neither Strata Bank, nor the aggregate originated any loans in the low-income census tracts in Year 2000. In the moderate-income tracts, the bank originated 7.7 percent of its loans by number, in comparison to the aggregate, which made 8.6 percent. However, the bank had a higher percentage of loans by dollar amount than the aggregate in moderate-income census tracts, making 7.8 percent versus the aggregate's 6.8 percent in that census tract income level.

Based on the analysis of the geographic distribution of loans, the bank meets the standards of satisfactory performance in generating loans from all segments of its assessment area.

5. FAIR LENDING POLICES AND PRACTICES

A review of the bank's public comment file indicated that the bank received no complaints pertaining to the institution's CRA performance since the previous examination.

The entire staff received training in HMDA and CRA. This training included a review of the regulations as well as an in-depth discussion about CRA.

The bank has established a second review program for applications that are slated for denial. Officers experienced in credit underwriting review these applications to ensure all applicants are treated consistently. In addition, the bank's internal control reporting procedures for HMDA allow for random checking on a quarterly basis to ensure accuracy of data. Strata Bank offers a first time homebuyer program with flexible underwriting to assist applicants seeking to purchase a home.

Minority Application Flow

Strata Bank's assessment area contains 99,613 individuals, 3,652 or 3.7 percent of whom are minorities. The assessment area's minority population is 0.1 percent Native American, 1.1 percent Asian, 0.7 percent Black, 1.7 percent Hispanic and 0.1 percent Other.

A review of residential loan applications was conducted in order to determine the number of applications the bank received from minorities. The bank received 237 residential loan applications from within its assessment area. During this period, 10 applications or 4.2 percent were received from minorities. These applications resulted in originations. Refer to the following table for further details.

MINORITY APPLICATION FLOW								
Race	Strata Bank 2000		Strata Bank 2001		Strata Bank 2002		Strata Bank Total	
	#	%	#	%	#	%	#	%
<i>Native American</i>	0	0.0	0	0.0	0	0.0	0	0.0
<i>Asian</i>	0	0.0	0	0.0	1	1.4	1	0.4
<i>Black</i>	0	0.0	0	0.0	0	0.0	0	0.0
<i>Hispanic</i>	0	0.0	2	1.7	0	0.0	2	0.8
<i>Joint Race</i>	0	0.0	1	0.8	3	4.1	4	1.7
<i>Other</i>	0	0.0	3	2.5	0	0.0	3	1.3
Total Minority	0	0.0	6	5.0	4	5.5	10	4.2
<i>White</i>	35	77.8	105	88.3	64	87.7	204	86.1
<i>NA</i>	10	22.2	8	6.7	5	6.8	23	9.7
Total	45	100.0	119	100.0	73	100.0	237	100.0

*Source: CRA Wiz Software.

The bank's minority application flow for this review period was compared to the 2000 aggregate data for all other HMDA reporters within the assessment area. The comparison of this data assists in deriving reasonable expectations for the institution's application flow. The bank did not extend any loans to minorities in 2000 while the aggregate originated 4.4 percent of loans to these individuals. However, the bank has since increased its performance in lending to minority applicants in Year 2001 and year-to-date 2002.

Other Lending

Small Business Lending

At management's request the bank's small business lending was reviewed to determine the distribution of loans by loan size. The bank originated 360 small business loans within the assessment area from 2000 to year-to-date May 2002. Approximately 76.7 percent of the number of loans originated had original balances of less than \$250,000. The result indicates that the bank is addressing the credit needs of small and medium-sized businesses within its assessment area. The following table depicts the distribution of small business loans within the bank's assessment area by loan amount at origination.

Distribution of Small Business Loans by Loan Size								
<i>Loan Size (000s)</i>	<i>2000</i>		<i>2001</i>		<i>2002</i>		<i>Total</i>	
	<i>#</i>	<i>%</i>	<i>#</i>	<i>%</i>	<i>#</i>	<i>%</i>	<i>#</i>	<i>%</i>
< \$100	68	57.7	101	58.0	33	48.5	202	56.1
\$100 - \$250	24	20.3	37	21.3	13	19.1	74	20.6
> \$250 - \$1,000	26	22.0	36	20.7	22	32.4	84	23.3
Total	118	100.0	174	100.0	68	100.0	360	100.0

Source: CRA Data Collection

By dollar amount, 12.2 percent of the loans had amounts less than \$100,000 and 21.5 percent had loan amounts between \$100,000 and \$250,000. The remaining 66.3 percent had loan amounts greater than \$250,000.

THE COMMONWEALTH OF MASSACHUSETTS

To the COMMISSIONER OF BANKS:

THIS IS TO CERTIFY, that the report of examination of the

STRATA BANK

for compliance with applicable consumer and fair lending rules and regulations and the Community Reinvestment Act (CRA), as of the close of business **JUNE 4, 2002**, has been read to or by the undersigned and the matters referred to therein will have our immediate attention.

_____	_____
_____	_____
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_____	_____

A majority of the Board of Directors/Trustees

Dated at _____ this _____ day of _____ 20 _____

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (Address at main office)."

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that assessment area shall also include the address of the designated office for that assessment area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee, which does not exceed the cost of reproduction and mailing.

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.